

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF IOWA

IN RE:	Chapter 11
MERCY HOSPITAL, IOWA CITY, IOWA, <i>et al.</i> ,	Case No. 23-00623 (TJC)
Debtors.	Jointly Administered
	APPLICATION TO EMPLOY DAY RETTIG MARTIN, P.C. AS COUNSEL FOR THE OFFICIAL COMMITTEE OF PENSIONERS, EFFECTIVE AS OF NOVEMBER 4, 2023

The Official Committee of Pensioners (the “Pensioners Committee”) of the above captioned debtors and debtors-in-possession (the “Debtors”) submits this application (the “Application”) for entry of an order authorizing the Pensioners Committee to retain and employ Day Rettig Martin, P.C. (“DRM”) as its counsel, effective as of November 4, 2023, pursuant to 11 U.S.C. § 1103 (the “Bankruptcy Code”) and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). In support of the Application, the Pensioners Committee respectfully represents as follows:

BACKGROUND

1. On August 7, 2023, (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Northern District of Iowa (the “Court”) commencing these bankruptcy cases.
2. On September 13, 2023, Paula L. Roby of DRM appeared for a group of Mercy Pensioners (**Doc. 212**) and on October 4, 2023, for the Mercy Pensioners Ad-Hoc Committee (**Doc. 332**).
3. On October 18, 2023, counsel for the Mercy Pensioners Ad-Hoc Committee filed a Motion to Establish an Official Committee of Pensioners Under 11 U.S.C. § 1102 (a)(2) (**Doc. 385**). A hearing on the Motion was held October 27, 2023, and the Motion was granted November 3, 2023 (**Doc. 451**). The following day, seven members of the Mercy Pensioners Ad-Hoc Committee were appointed to serve as the Pensioners Committee (**Doc. 458**).

JURISDICTION AND VENUE

4. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

5. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

6. The bases for the relief requested herein are section 1103 of the Bankruptcy Code and Bankruptcy Rule 2014.

BASIS FOR RELIEF

7. The Pensioners Committee respectfully requests the entry of an order authorizing it to employ Paula L. Roby and DRM as its counsel, effective as of November 4, 2023.

8. Section 1103(a) of the Bankruptcy Code provides that:

At a scheduled meeting of the committee appointed under section 1102 of this title, at which a majority of the members of such committee are present, and with the court's approval, such committee may select and authorize the employment by such committee of one or more attorneys, accountants, or other agents, to represent or perform services for such committee. 11 U.S.C. § 1103(a).

9. For the reasons set forth herein, the Committee submits that, pursuant to Bankruptcy Code section 1103(a) and Bankruptcy Rule 2014(a), DRM should be employed as the Pensioners Committee's counsel in these bankruptcy cases.

SELECTION

10. Paula L. Roby, Esq. is currently a shareholder of Day Rettig Martin, P.C. in Cedar Rapids, Iowa. Paula graduated from the University of Iowa College of Law in December of 1999 With Distinction. She was admitted to the Iowa Bar in April of 2000, and has been practicing in the Northern District of Iowa since the beginning of her career. Her practice is focused on Bankruptcy and Civil Trial Law. Ms. Roby has participated as counsel in many complex Chapter 11 cases in the Bankruptcy Courts of the Northern and Southern Districts of Iowa (as well as other jurisdictions, including being admitted pro hac vice in the S.D.N.Y. in the Northwest Airlines Bankruptcy) as counsel for Debtors, Creditors, Adversary Defendants and Trustees. Perhaps most notably, Ms. Roby was Lead Trial Counsel for the Chapter 11 Trustee in the Agriprocessors bankruptcy case. She is a Fellow of the Iowa Academy of Trial Lawyers, a member of the

Linn County Bar Association, the Iowa State Bar Association. She has served as a Member of the Federal Practice Committee for the Northern District of Iowa, as well as Chair of the Historical Society for this District. Paula is admitted to practice in the United States District and Bankruptcy Courts for the Northern and Southern Districts of Iowa. She is also admitted to practice before the United States Court of Appeals for the Eighth Circuit.

11. The attorneys of DRM are admitted to practice in this Court, have knowledge and experience in bankruptcy law practice, and are well qualified to represent the Pensioners Committee in this case. The Pensioners Committee believes DRM is well qualified to represent it in conjunction with these cases and that such representation is in the best interests of the Debtors and their creditors.

SCOPE OF EMPLOYMENT

12. The professional services DRM will render include the following:

- a. Provide legal advice regarding the Pensioners Committee's rights, powers, and duties in these cases.
- b. Prepare all necessary applications, answers, responses, objections, orders, reports, and other legal papers.
- c. Represent the Pensioners Committee in any and all matters arising in these cases, including any dispute or issue with the Debtors or other third parties.
- d. Appear at hearings and other proceedings to represent the interests of the Pensioners Committee.
- e. Assist the Pensioners Committee in its investigation and analysis of the Debtors, their capital structure, and issues arising in or related to these cases, including but not limited to the review and analysis of all pleadings, claims, and bankruptcy plans that might be filed in these cases, and any negotiations or litigation that may arise out of or in connection with such matters, the Debtors' operations, the Debtors' financial affairs, and any proposed disposition of the Debtors' assets.
- f. Represent the Pensioners Committee in all aspects of the case and bankruptcy plan confirmation proceedings.
- g. Perform any and all other legal services for the Pensioners Committee that may be necessary or desirable in these cases.

13. Subject to the Court's approval of this Application, DRM has indicated that it is willing to serve as the Pensioners Committee's counsel in these cases and perform the services described above.

TERMS OF RETENTION

14. DRM intends to apply for compensation for professional services rendered in connection with these cases, subject to approval of the Court and in compliance with sections 330 and 331 of the Bankruptcy Code, applicable provisions of the Bankruptcy Rules, and any applicable rules and orders of the Court, on an hourly basis, plus reimbursement of actual, necessary expenses.

15. As set forth in the declaration of Paula L. Roby (the “Roby Declaration”) submitted in support of this Application, DRM has advised the Pensioners Committee that DRM’s fees (not including expenses) will be limited to the rates set below:

Shareholders:	\$375/hr.
Sr. Associates:	\$275/hr.
Associates:	\$225/hr.
Support Staff:	\$150/hr.

16. It is DRM’s policy to charge its clients in all areas of practice for all other expenses incurred in connection with the client’s case. These expenses include, among other things, telephone and telecopier toll and other charges, mail and express mail charges, special or hand delivery charges, document processing, photocopying charges, travel expenses, expenses for working meals, and transcription costs, as well as non-ordinary expenses such as overtime for support staff. DRM will charge the Debtors’ estates for these expenses in a manner and at rates consistent with charges made generally to the firm’s clients and in compliance with any guidelines promulgated by the Office of the U.S. Trustee, subject to approval by the Court.

DRM DOES NOT HOLD OR REPRESENT ANY ADVERSE INTEREST

17. As set forth in greater detail in the Roby Declaration, DRM has completed conflicts checks for the Debtors and those appointed to serve on the Pensioners Committee, namely Carol Ebinger, Jean Berge, Jodine Gunn, Jeanne Hein, Mary McCarthy, Mary McMurray, and Joni Werle.

18. To the best of the Pensioners Committee’s knowledge, based upon the Roby Declaration, and except as set forth therein, DRM (i) does not hold or represent any other entity having an adverse interest

in connection with these cases as required by section 1103(b) of the Bankruptcy Code and (ii) is a “disinterested person” as that term is defined in section 101(14) of the Bankruptcy Code.

19. To the best of the Pensioners Committee’s knowledge, based upon the Roby Declaration, DRM has no connection with the United States Trustee, or any other person employed in the Office of the United States Trustee, or the Bankruptcy Judge in these cases.

EMPLOYMENT EFFECTIVE DATE

20. The Pensioners Committee requests approval of the retention and employment of DRM effective as of November 4, 2023, the date the Motion to Establish Official Committee of Pensioners was granted by this Court.

CONCLUSION

WHEREFORE, the Committee respectfully requests that this Court enter the Order, granting the relief requested herein, and granting such other and further relief as the Court may deem just and proper.

Dated: November 8th, 2023

Respectfully submitted,
DAY RETTIG MARTIN, P.C.

/s/ Paula L. Roby
Paula L. Roby AT0006749
Telephone: (319) 365-0437
FAX: (319) 365-5866
E-mail: paula@drpjlaw.com
*Proposed Attorneys for The Official Committee
of Pensioners of Mercy Hospital, Iowa City,
Iowa, et al.*

Certificate of Service

The undersigned certifies, under penalty of perjury, that on this November 8th, 2023, the foregoing document was electronically filed with the Clerk of Court using the Northern District of Iowa CM/ECF and the document was served electronically through the CM/ECF system to the parties of this case.

/s/ Julie G. Quist

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF IOWA

IN RE:

MERCY HOSPITAL, IOWA CITY, IOWA,
et al.,

Debtors.

Chapter 11

Case No. 23-00623 (TJC)

Jointly Administered

**DECLARATION OF PAULA I. ROBY IN
SUPPORT OF APPLICATION FOR
ENTRY OF AN ORDER EMPLOYING
DAY RETTIG MARTIN, P.C. AS
COUNSEL FOR THE OFFICIAL
COMMITTEE OF PENSIONERS**

I, Paula L. Roby, pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge, information, and belief:

1. I am a shareholder with the law firm of Day Rettig Martin, P.C. which is located at 150 1st Ave NE, Suite 415, Cedar Rapids, IA 52401. I am familiar with the matters set forth herein and make this declaration on behalf of Day Rettig Martin, P.C. and myself in support of the application of the Official Committee of Pensioners (the "Pensioners Committee") in the above-captioned case, for authority to retain DRM as its counsel.

2. I graduated from the University of Iowa College of Law in 1999 With Distinction. I have been admitted to practice in the United States District and Bankruptcy Courts for the Northern and Southern Districts of Iowa as well as the United States Court of Appeals for the Eighth Circuit. Over my 23+ years as an attorney, I have become a specialist in bankruptcy and litigation.

4. To the best of my actual knowledge, neither Day Rettig Martin, P.C., nor any employee of Day Rettig Martin, P.C., has any connection with the above-named Debtor, its creditors, or any other party of interest herein other than those for whom we have already made an appearance in this case.

5. I am not a manager or owner of, nor am I related to the manager(s) or owner(s) of the Debtors Mercy Hospital, Iowa City, IA; Mercy Services Iowa City, Inc; nor Mercy Iowa City ACO, LLC.

6. To the best of my knowledge, I do not have any connection with the United States Trustee for Region 12, or any person employed by the Office of the United States Trustee.

7. I am not "related" to the presiding Bankruptcy Judge in this case.

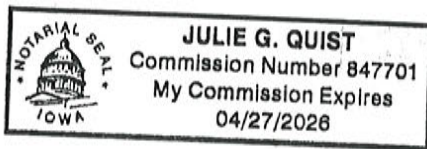
8. I do not represent any entity with an interest contrary to the interests of the Official Committee of Pensioners.


9. I will make an appropriate application to this Court for compensation and reimbursement of expenses as required by the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, and the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Iowa.

Dated this 8th day of November 2023.


Paula L. Roby AT0006749

Sworn to and subscribe before me by Paula L. Roby, a shareholder of Day Rettig Martin, P.C. on this 8th day of November 2023.




Notary Public in and for the State of Iowa